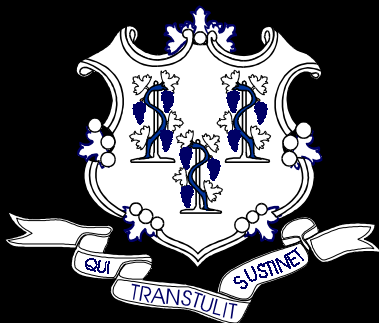


2001 FORM CT-G

This booklet
contains:

- Form CT-G
- Form CT-G EXT
- Form CT-G ES
- Form CT-2NA



Connecticut Group Income Tax Return and Instructions

Dear Customer:

Over the past seven years, the State of Connecticut has helped to create a dynamic business climate in which Connecticut businesses can prosper and grow. The Department of Revenue Services (DRS) values our relationship with Connecticut businesses and will continue to work diligently to provide excellent customer service and user-friendly tax administration. DRS is proud to be part of this effort to assist Connecticut businesses, and to help make our State more attractive in which to do business.

Connecticut's business environment has been greatly enhanced over this period due to the enactment of more than \$2 billion in tax cuts. These tax savings extend to nonresidents who have benefited from their business relationship with Connecticut.

This Connecticut Group Income Tax Return streamlines reporting of eligible nonresidents who have Connecticut source income as members of partnerships, limited liability companies, and S corporations doing business in this State, as well as nonresident beneficiaries of trusts or estates. This results in timesavings for you and greater efficiencies for DRS. To identify if you are eligible to be included in a group return, see *Who May File Form CT-G*, beginning on Page 4.

DRS Taxpayer Services personnel can answer your tax questions by telephone, letter, or e-mail. Use the information on the back cover of this booklet to reach them. The DRS Web site listed below is also a valuable resource. It is available 24-hours a day, 7-days a week, to download Connecticut tax forms, DRS publications, and other information that you may need.

We always welcome your comments and ideas on how we can improve the way DRS does business. Please phone, write, or e-mail me through our Web site.

I look forward to hearing from you.

Sincerely,

Gene Gavin

Commissioner of Revenue Services

Taxpayer information is available on our Web site:
www.drs.state.ct.us

Department of Revenue Services walk-in locations and telephone numbers are listed on the back cover.

CONN-TAX

If you have a touch-tone phone, you can obtain important income tax information 24 hours a day from CONN-TAX, the Department's information line. Call **1-800-382-9463** (toll-free from within Connecticut) or **860-297-5962** (from anywhere), press "1" to be connected to "Income Tax Information Menu," then press "2" to select "Recorded Income Tax Information." Enter the three-digit number next to the topic of your choice shown below, or follow the prerecorded instructions.

GENERAL INCOME TAX INFORMATION

- | | |
|--|---|
| 101 Important income tax changes for 2001 | 107 Amending a Connecticut return |
| 102 How to choose the correct form and filing method | 108 Getting a copy of a previously filed return |
| 103 Where to get forms and assistance | 109 Offsets of state income tax refunds |
| 104 Requesting a filing extension | 110 Deducting Connecticut income tax when completing your federal income tax return |
| 105 Filing a decedent's return | |
| 106 Filing an error-free return | |

INCOME TAX FILING REQUIREMENTS, RESIDENCY, AND FILING STATUS

- | | |
|--|--|
| 201 Who must file a Connecticut return? | 205 Members of the armed forces |
| 202 What is gross income? | 206 Student's filing requirements |
| 203 Who is a resident, nonresident, or part-year resident? | 207 Dependent children's filing requirements |
| 204 What is Connecticut source income of a nonresident? | 208 What is your filing status? |
| | 209 Title 19 recipients |

INDIVIDUAL USE TAX, GIFT TAX, AND OTHER INCOME TAX RETURNS

- | | |
|---|--|
| 301 Individual use tax | 305 Partnership income tax return |
| 302 Gift tax | 306 Group return for shareholders, partners, and beneficiaries |
| 303 Income tax on trusts and estates | |
| 304 S corporation information and composite income tax return | |

COMPLETING FORM CT-1040 OR FORM CT-1040NR/PY

- | | |
|---|--|
| 401 Tax status of United States government obligations | 406 Modifications to federal adjusted gross income |
| 402 Tax status of state or local obligations | 407 Connecticut alternative minimum tax |
| 403 Residents and part-year residents who paid income tax to another jurisdiction | 408 Property tax credit |
| 404 Deferred compensation | 409 Questions about a state tax refund or the federal advance payments |
| 405 Pension income, Social Security benefits, and Individual Retirement Accounts | |

ESTIMATED INCOME TAX REQUIREMENTS

- | | |
|---|-------------------------------|
| 501 Who must estimate? | 505 Annualization of income |
| 502 Withholding instead of making estimates | 506 Interest on underpayments |
| 503 Estimated income tax form | 507 Farmers and fishermen |
| 504 When to file and how much to pay | |

QUESTIONS ON TELEFILING AND WEBFILING

- | | |
|--|---|
| 601 Who is eligible to Telefile? | 604 WebFiling – <i>New for 2001</i> |
| 602 Tips for successful Telefiling | 605 What if I make a mistake while WebFiling? |
| 603 What if I make a mistake while Telefiling? | |

Extended Telephone Hours for the 2002 Filing Season (Option "0"):

Monday,	January 28	(until 7 p.m.)
Thursday,	January 31	(until 7 p.m.)
Monday,	February 11	(until 7 p.m.)
Tuesday,	February 19	(until 7 p.m.)

2002 Extended Telephone Personal Assistance and Walk-in Hours:

(25 Sigourney Street, Hartford Only)

Saturday,	April 13	(8:30 a.m. - 12:00 p.m.)
Monday,	April 15	(until 8 p.m.)

TABLE OF CONTENTS

GENERAL INFORMATION	4
How to Get Help	4
How to Get Additional Forms and Publications	4
References to Partners and Partnerships	4
Who May File Form CT-G	4
Connecticut Source Income of a Nonresident	5
Who May be Included in the Group Return	5
After-Discovered Income of a Partner	5
When to File Form CT-G	6
Amended Returns	6
Where to File	7
Extension Request	7
Interest and Penalties	7
Interest	7
Penalty for Late Payment or Late Filing	7
Penalty for Failure to File	7
Waiver of Penalty	7
Rounding Off to Whole Dollars	8
Estimated Group Income Tax Payments	8
Installment Amounts and Due Dates	8
Annualized Income Installment Method	8
Recordkeeping	8
Copies of Returns	8
FORM CT-G INSTRUCTIONS	9
General Instructions	9
Line Instructions	9
Signature	9
Paid Preparer Signature	9
Paid Preparer Authorization	9
Schedule G Instructions	10
CONNECTICUT TAX ASSISTANCE	Back Cover

GENERAL INFORMATION

How to Get Help

The Department of Revenue Services (DRS) is ready to help you and offers several resources where you can get answers to Connecticut tax questions. Visit the DRS Web site at: www.drs.state.ct.us, or for personal assistance, refer to the back cover of this booklet for a list of DRS walk-in offices and telephone numbers. DRS offices are open Monday through Friday, 8:00 a.m. to 5:00 p.m.

Personal telephone assistance is available Monday through Friday, 8:00 a.m. to 5:00 p.m. Extended hours are offered January through April. Automated information may answer your questions anytime. Call CONN-TAX, the DRS information line or visit the DRS Web site for details.

How to Get Additional Forms and Publications

Download and print Connecticut tax forms and publications seven days a week from the DRS Web site at: www.drs.state.ct.us. Forms are also available during regular business hours at any of the DRS walk-in offices and the other sources listed on the back cover of this booklet. You may also photocopy the forms you need from the *2001 Connecticut Package X*, which is on file at most public libraries.

References to Partners and Partnerships

While the instructions in this booklet refer to nonresident partners of partnerships, they also apply to nonresident shareholders of S corporations, nonresident members of limited liability companies that are treated as partnerships for federal income tax purposes, and nonresident beneficiaries of trusts and estates. See chart below.

Who May File Form CT-G

A partnership doing business in Connecticut, or having income, gain, loss, or deduction derived from or connected with sources within Connecticut, may file a Connecticut group income tax return on behalf of its qualified electing nonresident partners. A group return may be filed only by a partnership with **ten or more qualified electing nonresident partners** in a taxable year. All qualified electing nonresident partners must have the same taxable year.

A **qualified electing nonresident partner** is one who meets **all** of the following conditions:

- The partner was a **nonresident** individual for the entire taxable year;
- The partner did not maintain a permanent place of abode in Connecticut at any time during the taxable year;
- The partner (or his or her spouse, if a joint federal income tax return is or will be filed) did not have income, gain, loss, or deduction derived from or connected with Connecticut

References to:	Should be read as including:		
	Limited Liability Company	S Corporation	Trust or Estate
Partnership	limited liability company	S corporation	trust or estate
Partner	member of the limited liability company	shareholder of the S corporation	beneficiary of the trust or estate
Nonresident partner's distributive share of partnership income derived from or connected with sources within Connecticut	nonresident member's distributive share of the limited liability company's income, gain, loss, or deduction derived from or connected with sources within Connecticut	nonresident shareholder's pro rata share of the S corporation's income, gain, loss, or deduction derived from or connected with sources within Connecticut	nonresident beneficiary's share of the trust or estate's income, gain, loss, or deduction derived from or connected with sources within Connecticut
Form CT-1065	—	Form CT-1120SI	Form CT-1041

sources other than the partner's distributive share of partnership income, gain, loss, or deduction derived from or connected with sources within Connecticut;

- The partner waives the right to claim any Connecticut personal exemption and any Connecticut personal credit;
- The partner does not have a Connecticut alternative minimum tax liability for the taxable year; **and**
- The partner elects to be included on **Form CT-G, Connecticut Group Income Tax Return**, by completing and delivering to the partnership **Form CT-2NA, Connecticut Nonresident Income Tax Agreement/Election to be Included in a Group Return**, prior to the filing of **Form CT-G** by the partnership. By making this election, the partner expressly consents to personal jurisdiction in Connecticut for Connecticut income tax purposes and waives his or her right to request, on his or her own behalf or with others making this election, an extension of time to pay Connecticut income tax. This election is binding upon the partner's heirs, representatives, assigns, successors, executors, and administrators.

Connecticut residents may not be included on Form CT-G.

Connecticut Source Income of a Nonresident

Connecticut source income of a nonresident is income derived from or connected with sources within Connecticut when the:

- Income is attributable to ownership or disposition of real or tangible personal property within Connecticut including, but not limited to, the income from the rental or sale of the property;
- Income is attributable to compensation for services performed in Connecticut or income from a business, trade, profession, or occupation carried on in Connecticut;
- Nonresident individual is a partner of a partnership doing business in Connecticut, or having any income, gain, loss, or deduction derived from or connected with sources within Connecticut;
- Nonresident individual is a member of a limited liability company doing business

in Connecticut, or having any income, gain, loss, or deduction derived from or connected with sources within Connecticut;

- Nonresident individual is a shareholder of an S corporation doing business in Connecticut, or having any income, gain, loss, or deduction derived from or connected with sources within Connecticut; **or**
- Nonresident individual is a beneficiary of a trust or estate with any income, gain, loss, or deduction derived from or connected with sources within Connecticut.

Who May be Included in the Group Return

Only individuals may be included in the group return. All eligible members of the partnership need not be included. Each partner makes his or her own decision as to whether or not to be included in the group return. Nonresident partners not included in the group income tax return are required to file **Form CT-1040NR/PY, Nonresident or Part-Year Resident Income Tax Return**, if they have any income, gain, loss, or deduction derived from or connected with sources within Connecticut and meet the gross income test. See instructions for **Form CT-1040NR/PY**.

The filing of a group return will be considered to be a group of separate returns meeting the individual filing requirements imposed by the Connecticut Income Tax Act. DRS retains the right to require the filing of an individual Connecticut income tax return by any of the partners.

A qualified electing nonresident partner may not revoke an election to be included in a group return, or elect to be included in a group return, after the 15th day of the fourth month following the close of the partner's taxable year.

After-Discovered Income of a Partner

If, after **Form CT-G** has been filed, a qualified electing nonresident partner who was included on **Form CT-G** discovers that he or she has income, gain, loss, or deduction derived from or connected with Connecticut sources other than that reported on **Form CT-G**, the partner must:

- File **Form CT-1040NR/PY** on his or her own behalf;

- Report all income, gain, loss, or deduction derived from or connected with sources within Connecticut (including income previously reported on the group return) on the partner's own **Form CT-1040NR/PY**;
- Include in total payments reported on **Form CT-1040NR/PY**, the tax previously paid on behalf of the partner with the group return; **and**
- Attach a copy of **Form CT-G**, including *Schedule G*.

When to File Form CT-G

Form CT-G is due on or before the 15th day of the fourth month following the close of the taxable year (April 15 for calendar year taxpayers). If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date. The return will meet the timely filed and timely payment rules if the U.S. Postal Service cancellation date, or the date recorded or marked by a designated private delivery service (PDS) using a designated type of service, is on or before the due date. Not all services provided by these designated PDSs qualify.

The following are the designated PDSs and designated types of service at the time of publication:

Airborne Express (Airborne) <ul style="list-style-type: none"> • <i>Overnight Air Express Service</i> • <i>Next Afternoon Service</i> • <i>Second Day Service</i> 	DHL Worldwide Express (DHL) <ul style="list-style-type: none"> • <i>DHL "Same Day" Service</i> • <i>DHL USA Overnight</i>
Federal Express (FedEx) <ul style="list-style-type: none"> • <i>FedEx Priority Overnight</i> • <i>FedEx Standard Overnight</i> • <i>FedEx 2Day</i> 	United Parcel Service (UPS) <ul style="list-style-type: none"> • <i>UPS Next Day Air</i> • <i>UPS Next Day Air Saver</i> • <i>UPS 2nd Day Air</i> • <i>UPS 2nd Day Air A.M.</i> • <i>UPS Worldwide Express Plus</i> • <i>UPS Worldwide Express</i>

This list is subject to change. To verify the names of designated PDSs and designated types of service, check the DRS Web site, or call DRS. See **Special Notice 99(14)**, *Designated Private Delivery Services*, and **Announcement 2001(9)**, *Designated Private Delivery Services and Designated Types of Service*.

If **Form CT-G** is filed late or all the tax due is not paid with the return, see *Interest and Penalties* to determine if interest and penalty must be reported with this return.

Amended Returns

Check the "Amended Return" box on the front of **Form CT-G** to amend a previously filed **Form CT-G**. Generally, an amended return must be filed no later than three years after the due date of the return, or if a timely request for an extension of time to file a return was filed, three years after the extended due date of the return, or three years after the date of filing the return, whichever is earlier. If an amended return is not timely filed, a penalty may be imposed. See *Interest and Penalties*. The following circumstances require the filing of an amended **Form CT-G**:

1. The IRS or federal courts change or correct the partnership's federal income tax return, and the change or correction affects the Connecticut income tax liability of the qualified electing nonresident partners.	File no later than 90 days after the final determination, even if the final determination reduces the Connecticut income tax liability of the qualified electing nonresident partners.
2. The partnership files a timely amended federal income tax return, and the amendment affects the Connecticut income tax liability of the qualified electing nonresident partners.	File no later than 90 days after the date of filing the timely amended federal income tax return, even if the amendment reduces the Connecticut income tax liability of the qualified electing nonresident partners.
3. If neither of the above circumstances apply, but the partnership made a mistake or omission on its Form CT-G, and the mistake or omission affects the Connecticut income tax liability of the qualified electing nonresident partners.	File no later than three years after the due date of the return, or, if a timely request for an extension of time to file the return was filed, three years after the date of filing the return, or three years after the extended due date, whichever is earlier.

Where to File

Use the pre-addressed envelope enclosed with your return or mail to:

**Department of Revenue Services
PO Box 5019
Hartford CT 06102-5019**

Extension Request

To get an extension of time to file your return, you must file **Form CT-G EXT**, *Application for Extension of Time to File Connecticut Group Income Tax Return*, on or before the 15th day of the fourth month following the close of the taxable year, **and pay** the total amount of tax due. The **timely** filing of this form automatically extends the due date for six months.

Form CT-G EXT extends only the time to file the return; it does not extend the time to pay the tax due. See *Interest and Penalties* if you do not pay all the tax due with your request for extension.

Interest and Penalties

In general, interest and penalty apply to any portion of the tax that is not paid on or before the original due date of the return.

Interest

If you do not pay the tax when due, you will owe interest at 1% (.01) per month or fraction of a month until the tax is paid in full.

If you did not pay enough tax through withholding or estimated payments, or both, by any installment due date, you may be charged interest. This is true even if you are due a refund when you file your tax return.

Interest on underpayment or late payment of tax **cannot** be waived.

Penalty for Late Payment or Late Filing

The penalty for late payment or underpayment of Connecticut group income tax is 10% (.10) of the tax due. You can avoid a penalty for failure to pay the full amount due on or before the original date if you:

- File **Form CT-G EXT** on or before the due date;

- Pay at least 90% of the Connecticut group income tax shown to be due on the return on or before the original due date of the return; **and**
- Pay the balance due with the return on or before the extended due date.

If no tax is due, the Commissioner of Revenue Services may impose a \$50 penalty for the late filing of any return or report that is required by law to be filed.

Penalty for Failure to File

If you do not file your return and the Commissioner of Revenue Services files a return for you, the penalty for failure to file is 10% (.10) of the balance due or \$50, whichever is greater.

If you were required to file an amended **Form CT-G** and failed to do so, a penalty may be imposed.

Waiver of Penalty

You may be able to have the penalty waived if the failure to file or pay tax on time was due to a reasonable cause. Interest cannot be waived. Before a penalty waiver can be granted, all tax and interest must be paid. All requests must:

- Be in writing and contain a clear and complete explanation;
- Include your name, Social Security Number or Connecticut Tax Registration Number, and Federal Employer Identification Number (if applicable);
- Include the name of the original form filed or billing notice received;
- Include the taxable filing period; **and**
- Include documentation supporting your explanation.

Attach your request to the **front** of your tax return or mail separately to:

**Department of Revenue Services
Penalty Review Committee
PO Box 5089
Hartford CT 06102-5089**

Rounding Off to Whole Dollars

Generally, you may round off cents to the nearest whole dollar on your return and schedules. Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents and round off **only** the total.

Example: \$1.29 becomes \$1.00 and \$3.50 becomes \$4.00.

Estimated Group Income Tax Payments

Estimated tax must be paid for each partner included in the group return whose tax liability exceeds \$500. For each installment, the total of each such partner's estimated tax payments may be reported by filing one **Form CT-G ES**.

Your required annual payment for the 2002 taxable year is the lesser of:

- **90%** of the income tax shown on your **2002 Connecticut group income tax return**; or
- **100%** of the income tax shown on your **2001 Connecticut group income tax return**, if you filed a 2001 income tax return that covered a 12-month period.

If you were a nonresident or part-year resident and you did not have Connecticut source income during the 2001 taxable year then you **must** use 90% of the income tax shown on your 2002 Connecticut group income tax return as your required annual payment.

Installment Amounts and Due Dates

For estimated tax purposes there are four required installments for each taxable year. The amount of any required installment is 25% of the required annual payment. See chart below.

Annualized Income Installment Method

If your income varies throughout the year, you may be able to reduce or eliminate the amount of your estimated tax payments for one or more periods by using the annualized income installment method.

Recordkeeping

Keep a copy of the tax return, worksheets used, and records of all items appearing on the return until the statute of limitations expires for that return. Usually, this is three years from the date the return was due or filed, whichever is later. This information may be needed to prepare future returns or to file amended returns.

Copies of Returns

A copy of a previously filed Connecticut income tax return may be requested from DRS by completing **Form LGL-002, Request for Disclosure of Tax Return or Tax Return Information**. You can usually expect your copy in three weeks.

2002 Estimated Tax Due Dates		Due dates of installments and the amount of required payments for 2002 calendar year taxpayers are:
April 15, 2002	25% of your required annual payment	
June 15, 2002	25% of your required annual payment (A total of 50% of your required annual payment should be paid by this date.)	
September 15, 2002	25% of your required annual payment (A total of 75% of your required annual payment should be paid by this date.)	
January 15, 2003	25% of your required annual payment (A total of 100% of your required annual payment should be paid by this date.)	
An estimate will be considered timely filed if received on or before the due date, or if the date shown by the U.S. Postal Service cancellation mark is on or before the due date. Taxpayers who report on other than a calendar year basis, should use their federal estimated tax installment due dates. If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date.		

FORM CT-G INSTRUCTIONS

General Instructions

Enter the complete name and address, Federal Employer Identification Number, and Connecticut Tax Registration Number. A Connecticut Tax Registration Number is only necessary if the entity is required to be registered for other taxes.

Check the appropriate box indicating the type of entity filing this return. If this is an amended return, check the box indicating amended return.

Enter the total number of partners, LLC members, shareholders, or beneficiaries (as the case may be) included in this group return.

Line Instructions

Line 1 - Enter the total Connecticut income tax from *Schedule G*, Column D.

Line 2 - Enter the total estimated tax paid (if any) from *Schedule G*, Column E.

Line 3 - Enter the payment made (if any) with **Form CT-G EXT**, *Application for Extension of Time to File Connecticut Group Income Tax Return*.

Line 4 - Enter the total payments. Add Line 2 and Line 3.

Line 5 - If Line 4 is greater than Line 1, subtract Line 1 from Line 4. Enter the result on Line 5. This is the amount of your overpayment. The entire amount shall be credited to the group's 2002 Connecticut estimated tax.

Line 6 - If Line 1 is greater than Line 4, subtract Line 4 from Line 1. Enter the result on Line 6. This is the amount of tax due.

Line 7 - The penalty for late payment is 10% (.10) of the balance due. However, if a request for extension of time to file an income tax return has been granted, no late payment penalty will be imposed if at least 90% (.90) of the income tax shown to be due on the return is paid on or before the original due date of the return, **and** the balance due is remitted with the return on or before the extended due date of the return.

Line 8 - Interest will be charged at the rate of 1% (.01) per month or fraction of a month from the due date until payment is made, if any tax due is not paid by the due date.

Line 9 - Enter the total amount of interest (if any) on underpayment of estimated tax from *Schedule G*, Column F. (Attach **Form CT-2210**, *Underpayment of Estimated Income Tax by Individuals, Trusts and Estates*, if applicable.)

Line 10 - Add Lines 6 through 9. This is the **Balance Due**.

Signature

Form CT-G must be signed by a general partner, LLC member, fiduciary, or officer.

Paid Preparer Signature

Anyone you pay to prepare the return must sign and date it. Paid preparers must also enter their Social Security Number (SSN) or Preparer Tax Identification Number (PTIN), their firm's Federal Employer Identification Number (FEIN), and their firm's address and telephone number in the spaces provided.

Paid Preparer Authorization

If the partnership wishes to authorize DRS to contact the paid preparer who signed the 2001 tax return to discuss it, check the "Yes" box in the signature area of the return. This authorization applies only to the individual whose signature appears in the *Paid Preparer's Signature* section of the return. It does not apply to the firm, if any, shown in that section.

If the "Yes" box is checked, the partnership is authorizing DRS to call the paid preparer to answer any questions that may arise during the processing of the 2001 **Form CT-G**. The partnership is also authorizing the paid preparer to:

- Give DRS any information that is missing from the return;

- Call DRS for information about the processing of the S corporation's return or the status of the S corporation's refund or payment; **and**
- Respond to certain DRS notices that the partnership may have shared with the preparer regarding math errors, offsets, and return preparation. The notices will not be sent to the preparer.

The partnership is **not** authorizing the paid preparer to receive any refund check, bind the partnership to anything (including additional tax liability), or otherwise represent the partnership before DRS. The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing the 2002 Connecticut Group Income Tax Return. This is on or before the 15th day of the fourth month following the close of the taxable period.

Schedule G Instructions

Column A - Enter the Social Security Number of each qualified electing nonresident partner.

Column B - Enter the name and address of each qualified electing nonresident partner.

Column C - Enter each qualified electing nonresident partner's distributive share of the partnership's income, gain, loss, or deduction derived from or connected with sources within Connecticut.

Partnerships

Each partner's distributive share of the partnership's income, gain, loss, or deduction derived from or connected with sources within Connecticut must be entered from the partnership's **Form CT-1065, Connecticut Partnership Income Tax Return, Schedule E**. Federal rules restricting the netting of different types of income are applicable (for example, portfolio income included in the partner's income may not be offset by passive losses; excess passive activity losses that cannot be offset may be carried forward).

Limited Liability Companies

Each member's distributive share of the limited liability company's income, gain, loss, or deduction derived from or connected with sources within Connecticut must be entered from the limited liability company's **Form CT-1065, Schedule E**. Federal rules restricting the netting of different types of income are applicable (for example, portfolio income included in the member's income may not be offset by passive losses; excess passive activity losses that cannot be offset may be carried forward).

S Corporations

Each shareholder's pro rata share of the S corporation's income, gain, loss, or deduction derived from or connected with sources within Connecticut must be entered from the S corporation's **Form CT-1120SI, Part V, Lines 1 through 8**. The federal rules restricting the netting of different types of income are applicable (for example, portfolio income included in the shareholder's income may not be offset by passive losses; excess passive activity losses that cannot be offset may be carried forward).

Trusts and Estates

Each beneficiary's share of the trust or estate's income, gain, loss, or deduction derived from or connected with sources within Connecticut must be entered from the trust or estate's **Form CT-1041, Connecticut Income Tax Return for Trusts and Estates, Schedule CT-1041FA, Parts 2 and 3**. Federal rules restricting the netting of different types of income are applicable (for example, portfolio income included in the beneficiary's income may not be offset by passive losses; excess passive activity losses that cannot be offset may be carried forward).

NOTE: An individual must report losses in order for them to be carried forward. For example, if a nonresident partner's distributive share of income, gain, loss, or deduction derived from or connected with sources within Connecticut for the taxable year is a \$20,000 passive activity loss, that partner must report the loss by filing as part of a group return or by filing **Form CT-1040NR/PY** in order to carry the loss forward. **Losses that are not reported cannot be carried forward to succeeding years.**

Column D - Enter the Connecticut income tax. Multiply Column C by 4.5% (.045).

Column E - Enter each partner's share of estimated Connecticut income tax paid (if any). This amount may have been paid with **Form CT-1040ES**, *Estimated Connecticut Income Tax Payment Coupon*, or **Form CT-G ES**, *Estimated Connecticut Group Income Tax Payment*.

Column F - Enter each partner's share of the underpayment interest (if any). The underpayment interest can be calculated on **Form CT-2210**. A separate **Form CT-2210** must be attached for each partner, if applicable.

CONNECTICUT TAX ASSISTANCE

FOR TAX INFORMATION

- Visit the DRS Web site at:
www.drs.state.ct.us
- Call CONN-TAX:
1-800-382-9463 (toll-free from within Connecticut) or
860-297-5962 (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day, seven days a week by calling 860-297-4911.

Personal taxpayer assistance is available during business hours listed at right. Extended hours are offered January through April. Call Conn-Tax or visit our Web site for details.

- Write to:
Department of Revenue Services
Taxpayer Services Division
25 Sigourney Street
Hartford CT 06106-5032

FORMS AND PUBLICATIONS

May be obtained 24 hours a day, seven days a week by using any of the following resources:

- Internet
Preview and download forms and publications from the DRS Web site at: www.drs.state.ct.us
- DRS TaxFax
Call **860-297-5698** from the handset attached to your fax machine and select from the menu; or
- Telephone
From a touch-tone phone call:
1-800-382-9463 (toll-free from within Connecticut) and select **Option 2**, or
860-297-4753 (from anywhere).

WALK-IN OFFICES

For free assistance or forms, visit our offices from Monday through Friday 8:00 a.m. to 5:00 p.m. For pre-recorded directions to DRS offices call CONN-TAX. If you require special accommodations, please advise the DRS representative.

BRIDGEPORT
10 Middle Street
203-579-6251

HAMDEN
3074 Whitney Avenue, Bldg. #2
203-287-8243

HARTFORD
25 Sigourney Street
860-297-5962

NORWICH
2 Cliff Street
860-889-2669

WATERBURY
Rowland State Government Center
55 West Main Street, Suite 100
203-805-6789

STATEWIDE SERVICES

For information on statewide services and programs, visit the ConneCT Web site at www.state.ct.us

For questions about federal taxes, contact the Internal Revenue Service (IRS) at 1-800-829-1040.
To order federal tax forms, call 1-800-829-3676.

DEPARTMENT OF REVENUE SERVICES MISSION STATEMENT

The Mission of the Connecticut Department of Revenue Services is to administer the tax laws of the State of Connecticut and collect the tax revenues in the most cost effective manner; achieve the highest level of voluntary compliance through accurate, efficient, and courteous customer services; and perform in a manner which instills public confidence in the integrity, and fairness of the state's tax programs.

Department of Revenue Services
State of Connecticut
25 Sigourney Street
Hartford CT 06106-5032